Journal of Policy Science Vol.10

Foreword for Special Issue: The Energy Interconnections between Liberal Democracies and Non-liberal Democracies in North East Asia[1]

Noboru MIYAWAKI ※

Abstract

How have policy-makers treated democratization issues in the context of energy security? In this paper, I try to provide analysis to the political difficulties to prevent the idea of energy connectivity as the bilateral projects between non-liberal and liberal regime, with reference to human rights cases between the East and the West in the cold war era, especially in the debate in the CSCE (Conference on Security and Co-operation in Europe). After that, based on the possible relevancy of democracy over the energy politics, I tentatively use the framework of the "as-if game", which I suggested in my past works as the framework of analyzing the non-compliance actor in the international norm. Finally, I conclude that parliaments or other third actors might have their own power, more or less, because they have more ability than the administrative branch, to let countries of the region cooperate with each other.

1. Energy Politics around the liberal democracies in North-East Asia

1.1 Brief Explanation of Resource Politics in Liberal Democracies in North-East Asia

It is widely believed that type of political regime does not have any relevance to energy security; however, energy security policies of democratic states have changed with public opinion on the prices of electricity or gas, which are essential for people's lives. In general, democratic regimes are believed to be more sensitive than authoritarian regimes to energy issues. Between

※ Professor, College of Policy Science, Ritsumeikan University

Journal of Policy Science, 2016. ISSN 1881-6703. vol. 10., pp.1-10

authoritarian regimes, the import/export of energy are more stable rather than between democratic regimes. A strong parliament makes it difficult for the administration to negotiate with the object country on energy import because if it agreed with countries in the worse conditions than they expected before, it would be inevitable for the administration to suffer a political strike by parliament.[2]

In North-East Asia, simply speaking, there are three types of political regimes[3], liberal democracy, people's democracy, and authoritarian. Japan, Mongolia, and South Korea are classified as democracies, China and North Korea (DPRK) as people's democracies, and Russia as authoritarian. Each democracy has experienced regarding the energy issue as one of the main agendas of national elections or one of the big national debates.

In relation with energy issues, the non-liberal democracies, China and North Korea (DPRK), faced some energy crises after their state-building. They have changed energy policy in some stages, but these changes are more implicitly achieved. In the 1990s the DPRK faced an overwhelming economic crisis and lack of petroleum.

The youngest liberal democracy in this region is Mongolia. In Mongolia, after democratization in 1990 from the socialist regime, the oil or gas supply from the USSR dramatically dropped, and it needed to search for a way to overcome its economic crisis. The crisis hit the nation, and the nation changed the government. With plenty of natural resources in this country, especially coal, in recent years it has faced big debates over whether the width of the railway exporting coal to China (or other countries as theoretically possible candidates) should be the same as the Soviet-standard width which covers the almost as long but single railway in Mongolia from Irkutsk to Beijing, mainly made by the USSR during the cold war era, or the same as the China standard which is universally regarded as the world standard. In addition, as the symbol of the socialist bloc, the Soviet Union and Mongolia have connected electricity and oil pipelines.

In Japan, after the provoking of the oil strategy of Arab countries, nation suffered an oil crisis and faced shocking inflation in 1972-73. As a result, the Tanaka administration of the LDP dropped to lose its support from public opinion and was obliged to review the "Project of all-reconstruction of Japan (Nihon Retto Kaizo-ron)," ultimately seeing many national projects suspended temporally or permanently. Then Japan, as one of the liberal democracies, developed its own energy security policy after the oil crisis in the 1970s. The Ohira government of the LDP introduced the notion of comprehensive security to enhance the energy policy with its national security perspective. Comprehensive security has exceeded the conventionally comprehensive national security concept, which was limited to the military aspect, and encompassed the wider concept of economic, environmental, and food aspects.[4] Since it was officially used by the Ohira government, the comprehensive national security strategy has been considered a means for crisis management. The definition of comprehensive national security concept extends to many

aspects, but the definition from the point of view of one country is "to contribute to international causes, and to prevent various threats that influence or may influence the existence foundation of our country by employing comprehensive foreign policy, defense and economic measures and policies."[5] Moreover, although the comprehensive national security concept in an international context is not clearly set, it is believed that the comprehensive national security concept from Japan point of view has been reconsidered from an international point of view.

The change in international economy system brought about by the oil strategy implementation in the 1970s had a damaging effect on the Japanese economy. The comprehensive security strategy included aspects such as general military power, foreign policy, energy, food, information, and counter-natural disasters including earthquakes.[6] Therefore, specifically speaking, the important issues included in this comprehensive national security are food, information, and energy. The Japanese natural resources foreign policy is broadly considered from an energy security point of view.

The strategies of countries seen today since the end of the cold war are the policies responding to rising energy consumption along with the development of the economy. For example, although China was an oil exporting country in the past, it has become an importing country since the 1990s and it is increasing its nuclear and natural energy power plants installations. Moreover, although India relied on the former Soviet Union for its oil imports in the cold war, following the collapse of the Soviet Union, India currently relies on oil imports from the Middle East in order to sustain its rapid economy growth, and it is building large-scale oil-powered power plants in many locations.[7] It is widely known that the development of the oil natural resources hidden at the bottom of the sea around the Nansha /Spratly Islands—and the economic development strategies for the countries concerned—are the reasons for the worsening relations between ASEAN countries and China, due to the dispute over those islands since the 1990s.

Therefore, the energy in this region deepen mainly on cheap oil and coal imports, and developing countries are currently developing their economies based on ample electrical power obtained from this energy. However, the change to a high energy consuming society causes economic differences within each country and environmental destruction due to industrialization. Therefore it is highly likely that, unless social construction planning or international adjustments in consideration to energy national security are implemented, development will continue without consideration for environmental security or human security.

1.2 The possible plan of regional energy cooperation between non-liberal and liberal democracies: the case of Russo-Japanese energy trading without connecting[8]

Unlike the integrated energy policy of Europe, in North-East Asia we cannot see the clue of coordinating of connecting of energy among the region. But there is huge trading of energy

in the region, and after the cold war the argument of energy connectivity was developed. Energy agreements between the liberal and non-liberal democracies, like the Russo-Japanese case, as follows, seem to be more difficult than relationships between non-liberal countries.

Sakhalin Island is the case, the southern part of which was under the Japanese government from 1905 to 1945. After WWII it came under the USSR/Russia. It is full of energy and electricity, with a history of searching for resources such as coal, petroleum and gas. Back in the 1920s, the island was called "Alsace-Lorraine in the Far East" because of its abundance of coal fields. In the Soviet era, it developed the petroleum around the island, and since the 1990s, with a consortium of foreign oil companies, it has launched Sakhalin 1, Sakhalin 2, and Sakhalin 3. Japan joined the plan of Sakhalin 2. Since 2009, Sakhalin 2 has started to produce natural gas and sends it by pipeline over the island, exporting it from the port near Korsakov. Japan has imported LNG, which constituted 9% of all imported gas of Japan[9].

On the Russian side, the Russian national project "Energy Strategy Russia until 2030" was launched and it explored the export strategy of oil and gas in the far east of Russia. Currently, Russia exports coal to Japan and China. The Sino-Russo Agreement on supplying gas in 2014 shows the stable and massive movement of energy from Russia to China, between the non-liberal democracies[10].

The possible argument of more and stable interconnection is overwhelmed. Geographically, the strait between Sakhalin and Hokkaido is 43km distance but only 30-70m depth. Many ideas were provoked by circles in both countries, like the plan of a tunnel for transportation (road and railway), making it possible to transport natural resources from Europe/Russia to Japan, connecting electricity between Sakhalin and Hokkaido, or the idea of a submarine pipeline of natural gas or petroleum. Especially, the plan of connecting lines supplying natural gas and electricity from Sakhalin Island to Japan has been argued from both sides. Actually the Diet Members Caucus of Japan supported the idea of the pipeline in Japan and started pressure to construct it. However, this agenda has never been argued in the past Russo-Japanese summit meetings. Russian President and the former Governor of Sakhalin State have sometimes referred to the connectivity between Russia and Japan, and the Russian President also declared the start of construction on a railway between the Russian mainland and Sakhalin. Japan has the best high technology for laying submarine pipelines. Russia is the only neighboring country of Japan that can supply resources by pipeline. After Japan suffered the trade deficit because of a lack of energy after 3/11, Japan needs more coal and petroleum because of a lack of electric power based on the atomic power plants which are still mostly shut down. For Russia, the Far East Development Project might promote energy connectivity with Japan. The two countries have a common interest to shift again to the idea of Alsace-Lorraine in the Far East.

However, Japan has hesitated to connect the resource supply-demand line by pipeline or electric line. The Abe administration might decline the idea of connectivity, because the United

States seems to be sensitive to more Russo-Japanese entente. Especially considering the crisis in Ukraine, the Western states pay attention to energy issues in Russia. Additionally, under the sanction against Russia in 2014, the sanction caused a shift to the East for Russia. Before building the pipeline, it will be necessary for Japan to conduct an environmental assessment, even if the new pipeline on land is built along the currently used highway.

As to the relationship between non-liberal and liberal democracies, Russia has two sides and so does Japan. Russia has a long history of exporting resources. The USSR/Russia has succeeded in exporting natural gas via pipeline to the East (Druzhba) and extending it toward Western Europe since the 1970s, based on the COMECON regime and détente between the East and West. Additionally, Russia has connected the Nord Stream to Germany via submarine pipeline, with the political-economic background of peaceful interdependence between Russia and the EU. On the other hand, Russia needs more time to connect a pipeline to Japan. In turn, Japan has imported resources by ship from all over the world, including test importing coal from Mongolia and LNG from Sakhalin.

The Alsace-Lorraine model, which has reached the ECSC and the EU, requires a peaceful environment for developing mutual benefits. For this purpose, at first, the two countries must lift sanctions with each other. In the Far East, Japan and Russia need to establish a consortium of stable energy supply from Russia to Japan. Then, for long-term mutual benefit, the consortium may begin to build the pipeline.

In the case of Russo-Japan energy cooperation, the plan of connecting lines supplying natural gas and electricity from Sakhalin Island to Japan has been argued from both sides. From the viewpoint of technology, constructing pipelines or electric lines on the land and under the water seems to be rather easier than has been argued in the past. The financial cost of connecting the lines might be expensively estimated for the countries with large budget deficits. However, after the great earthquake of March 11, 2011, Japan faces the situation of being obliged to avoid the increasing dependence on nuclear power plants. Therefore, some members of the Diet supported to start the construction of it. In spite of these points, why have both governments, especially the Japanese government, not promoted this big project, which might be mutually beneficial? This is partly because there is an “as-if game” between the two.

2. As-if game as the framework[11]

2.1 Original As-if game

In this part, I try to show the model of the “as-if game” for understanding this issue. First, I briefly explain the as-if game model. Simply speaking, the as-if game is based on the relationship between the truth and a lie. Lies, breaches, and silence that are attributable to or induced by secret contents and restrictions tend to continue for a prolonged period of time, especially

in international politics, because there are many areas of secrets (security secrets, etc.). Historically, the original as-if game came from socialist Czechoslovakia, where people behaved "as if" they really believed in the slogans of socialism, and the authorities behaved "as if" they really believed that people believed in the slogans.[12] Miroslav Kusý pointed out that "this *as if* is a silent agreement between the two partners…If those in power occasionally break the agreement…the powerless break it by making light of it and unmasking it. The *as-if game*, however, can only be effective if both sides consistently avoid such extremes."[13]

This is the as-if game, which I tried to apply to international relations. In this paper I briefly explain the three stages of this game.

2.2 The early stage

There is some researches on the behavior of making false statements of agreeing with other actors by a country that would later commit a breach without hesitation (hereinafter named the "breaching country") *as if* they were not against the international agreement. I call it the *as if*-like behavior.[14] Although not denying the existence of a supposedly advantageous norm made by international agreements, this *as if*-like behavior is generated by pretending *as if* it complied with the norm, to conceal the emergence of a breach against the norm at the same time. In practical thinking, there ought to be no way that anybody will approve an agreement that is definitely not beneficial to them. However, there are occasions when people have no other choice but to approve an agreement through linkage with another agreement in a different issue-area or through succumbing to pressure from a third party. Actors in such a situation will take the *as if*-like behavior as an alternative. I have theorized the as-if game as a type of diplomatic games, which are combinations of alternatives as to whether the *as-if*-like behavior is acknowledged or criticized by other parties.

The responses from a country A complying with the norm (hereinafter, referred to as the "complying country" or A) to the *as if*-like behavior of a breaching country B, that is unfaithful to the advantage of the norm, are mainly divided into either weak approval/toleration or criticism. Country A's tolerance is mainly generated from the serious view of keeping the international agreement stable and durable, while criticism of A's tolerance comes from the standpoint of making the agreement effective, not only in the country A (public opinion in A), but also even in the breaching country B (e.g., NGOs in B). Additionally, as will be mentioned below, what largely determines the development of the as-if game is the third actors (NGOs, parliaments, media, etc.) who were outsiders in the process of forming the agreement?

The politically difficult choice for the complying country is whether to criticize the breaching country for a violation of the agreement or not. The problem is that when the complying country criticizes the breaching country, there is a possibility that the breaching

country may exit from the game itself (withdrawal from the framework, or abrogation of agreement), while it is inconvenient to the complying country from a diplomatic point of view. In such a case, the complying country is often hesitant to severely criticize the breaching country, and takes strategies to tolerate it. For the complying country A, because criticizing the breaching country (a1) costs politically more, tolerating (a2) is considered a better choice. On the other hand, for the breaching country B, because non-breaching (b1) costs more with smaller merit than breaching (b2), breaching (b2) is a rationally better choice. This is the first phase of the as-if game scenario. For the country A, gain is a2 > a1, and for B, b2 > b1. Thus, a2/b2 is equilibrium of this game, at in the early stage, though in order to have some real meaning in the content of an agreement (complete implementation of the agreement), it must of course move to the optimum solution on a1/b1.In this game, and gain itself may change as the third actors involve the process of the game.

2.3 The middle stage of the game: Calm continuation and non-focusing of the as if game: a2/b2 continues

The process of the move from a2/b2 to other situations would be possible in the middle game. The actors who should play a role to make A take (a1), instead of (a2), would be the third actors.

The as-if game will generally last long if the complying country tolerates the *as if*-like behavior of the breaching country. The merit of tolerance is, for example, keeping a political balance with other agreements that have linkage with a relevant agreement. The downside of continuing tolerance is that the more time passes, the higher becomes the possibility of being criticized by a third party for having tolerated a breach. This is especially the case with democratic nations that have rather poor resources of time.

2.4 Final Stage of as-if game

1) Victory of the complying country—Assurance of the full implementation: a1/b1

When moved from a2/b2 to a1/b1, the as if game is over, and expectations of each other (to comply with the agreement) will converge. But this needs time. As a whole, in most of the cases, the as-if game tends to end with the defeat of the breaching country. Deceptive behavior is gradually yet increasingly faced with threats of the truth. Maintaining the world brought about by deceit requires social cost, and the more lies lose touch with the truth, the shorter becomes the life span of the virtual world. The same is true with international politics.

2) Winnings of the breaching country and tolerating the complying country

As simple extension of a1/b1 and when the time of the game can be over and actually

expire, the as-if game may be over with a case of "run away with the winnings" by the breaching country. If the character of the game is a one-time game, it would be easier for the breaching country to quietly leave the game than to repeat the game.

In this case, silence is kept as it is by the end of the game, because there were no prominent criticisms from the outside for any reasons. This might be mainly because the time of the game was too limited to be estimated and verified by the others.

3. As-if game in the energy politics between non-liberal and liberal democracies

Unlike human rights politics, energy politics seems to be hard to unmask by the third actors like a parliament, media, or NGOs. At first this is mainly because the number and influence of NGOs/CSOs or media who committed to this issue-area is limited.

The second reason is that, unlike international regimes on human rights, there are few international regimes on energy supplying or consuming which permit the third actors to commit or monitor, even though resources are as vitally important for mankind as the notion of human rights, which has 70 years of history of international protection.

Third, the regime of democracies tends to become sterile in North East Asia. Due to the political culture in these countries, consciousness of the right to access resource politics is relatively weak. This might be because there are fewer environmental movements than in Western Europe. In general, the decision-making process on energy politics is still closed based on the power struggle, and usually not open to the public.

Natural resources should be properly available for people in general. But this prompts the following question of policy choice: From which country should we import coal or petroleum? This answer is necessarily interpreted in the context of the cost-benefit and power struggle on an international level as well as a domestic level. For example, in human rights issues, the U.S. Congress can play an important role in listening to concrete information on human rights abuses in foreign states through testimonies of victims, in taking action, or in adopting resolutions or legislation to put strong pressure on administrations and concerned states. Parliaments can ratify human rights treaties and sometimes monitor their implementation. The monitoring system of parliaments is very effective because of their consistency and infallibility, when other actors work cooperatively with parliaments. In turn, how can we imagine a similar system in energy politics? Before creation of such a system, on what kind of international norm should we agree, long years after the highlighted nationalism over natural resources in the 1970s?

It is true that few institutionalizations in this region on energy policies have actually been carried out to ask the credibility of an international cooperation, which in fact eloquently shows the weak possibility of consensus. Under international law, it is fully possible for internationally accepted new norms to separately and specifically deny the priority of the norms set for individual

nations' benefit, especially those related to security, national integrity, maintenance of territorial entity, political stability, and some such norms may, as a result, sometimes justify conduct their own energy policy. But nothing will be complete unless concerns about the problems of implementation and enforcement are solved. In spite of many ideas of connectivity which give the region a stable supply of natural resources, there has been almost no actual progress in this region between non-liberal and liberal countries, even if they increase the trade of energy resources.

Regarding the energy connectivity politics in north-east Asia, now it looks in the first or middle stage of the as-if game, although the common norm is still in the process of being produced. Some countries emphasize each nation the dream of the connectivity, which might promote more abundance of wealth. The other countries tell only the reality of energy competitiveness, not the dream, which causes non-progress of connectivity that gives all nations fruitful wealth, like the ECSC history. That is, connectivity in north-east Asia is still the political dream to let nations support the produced dream of each country.

Applying the as-if game to the energy connectivity issue in this region, country A's gain is a2 > a1, and now a2/b1 is the equilibrium stage of this game. Many years later the third actors would possibly change the perception of A's gain, from a2 > a1 to a1 > a2; however, in the current situation of the energy connectivity, it is the equilibrium stage (the second stage), when Russia has just proposed the idea of pipeline connectivity in the north-east Asia, and Japan keeps silent.

In the *as-if game,* stimulated by the third actors, the black box of the policy process is going to be unmasked, but there needed time to change. Even in the case of the human rights issues stimulated by the Helsinki Commission in the United States, they needed thirteen years, from 1976 to 1989, when the CSCE Vienna Follow-up Meeting was closed and the world witnessed the revolutions in Eastern Europe. In turn, in the case of energy-politics, the stage is still now a2/b1; however, the role of the third actors, including parliaments, should not be underestimated, because they can influence the foreign policies of their governments within the course of energy rationally availability. We can expect, in the longer term, that parliaments or other third actors might have their own influences, more or less, because they have more possibility than the administrative branch to let countries of the region cooperate with each other.

Notes

[1] The content of this work is partly based on the discussion of Symposium Energy Security Politics in North-East Asia at Ritsumeikan University, January 17, 2005. Additionally, it is partly based on Northeast Asian Energy Connectivity Workshop at the Ministry of Foreign Affairs of Mongolia, held on March 17-18, 2015. This work is supported by a Ritsumeikan University Research Grant and the Grants-in-Aid for Scientific Research of Japan.

[2] As Robert Putnam suggests, democracies could be the model of a "two-level game." See Robert D. Putnam, "Diplomacy and Domestic Politics: The Logic of Two-Level Games," *International Organization*, Vol. 42, No. 3 (summer, 1988), pp.427-460.

[3] For classifying political regimes, there have been many arguments, but I refer to Tomohiko Uyama, "Kenishugi-Taiseiron no Shintenkai ni Mukete," in Japan Association of Comparative Politics (ed.) *Taisei-tenkan, Hitenkan no Hikaku Seiji*, Minerva shobo, 2014, and Francis Fukuyama, "What Is Governance?" *Governance*, Volume 26, Issue 3, July 2013.

[4] Sougou-anzen-hosyo Kenkyu Group (ed.), *Sougou Anzen Hosyo Senryaku,*1980.

[5] Ibid.

[6] Keizo Mochida, "Food Security," Tadashi Kawada and Hideki Ohata (eds.), *Kokusai Seiji Keizai Jiten*, Tokyo-shoseki, 1993.

[7] *Mainichi Shinbun,* February 27, 1996.

[8] This section is based on Noboru Miyawaki, "Promoting Connectivity between Russia and Japan," at the Northeast Asian Energy Connectivity Workshop, March 18, 2015, Ulaanbaatar, and the interviews of my research-trip with students of Ristumeikan University to Sakhalin and Mongolia in 2014 and 2015, with some companies and officials in this area.

[9] For example, Australia imports 24.4 billion LNG from Russia than Japan does, although Japan's import from Russia remains 116 billion in 2013.

[10] Regarding the interconnection around China, please see Zheng Yu, "Connectivity Building and Energy Security in Northeast Asia," *Ulaanbaatar Dialogue on Northeast Asian Security: Second International Conference*, ISS, 2015, pp.105-108.

[11] Regarding the as-if game, this paper is based on my past papers and presentations at the ISA in 2010, whose title is "Limits of the 'boomerang effect' and 'as if' action" (The 2010 ISA Convention, New Orleans, U.S, February 17, 2010), Miyawaki, "How to Manage Antiterrorism and Human Rights Issues in Parliaments" (Joint ISA-APSA-IPSA Human Rights Sections Conference, Roosevelt University, Chicago, June 19, 2010) and Miyawaki, " Kokusaiseiji ni okeru uso to <as if game>," in Noboru Miyawaki and Masataka Tamai (eds.) *Compliance-ron kara Kihan-kyogo-ron he*, Koyoshobo, 2012, pp.15-33. As to "as-if game" in the case of human rights issue, refer to Noboru Miyawaki, "Lying and 'As-if game' in International Politics: The Conference on Security and Co-operation in Europe (CSCE) and Human Rights NGOs in the Cold War Era," *Policy Science*, vol.14, no. 2, February 2007, pp.55-74 (in Japanese).

[12] Miroslav Kusý, "Chartism and 'real socialism'," John Keane ed., *The Power of the Powerless, Citizens against the state in central-eastern Europe*, M. E. Sharpe, Inc. (Armonk, New York, 1985), pp.163-166.

[13] Ibid.

[14] Miyawaki, *op.cit.,* 2007.